



Senate

General Assembly

File No. 388

January Session, 2013

Substitute Senate Bill No. 1003

Senate, April 8, 2013

The Committee on Public Safety and Security reported through SEN. HARTLEY, J. of the 15th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING SECONDHAND DEALERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 21-39a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2013*):

3 As used in sections 21-39 to 21-47, inclusive, 21-47d, 21-47e and 21-
4 100:

5 (1) "Pawnbroker" means a person who is engaged in the business of
6 loaning money on the deposit or pledge of wearing apparel, jewelry,
7 ornaments, household goods or other personal property or purchasing
8 such property on condition of selling the same back again at a
9 stipulated price;

10 (2) "Precious metals or stones dealer" means a person who is
11 primarily engaged in the business of purchasing gold or gold-plated
12 ware, silver or silver-plated ware, platinum ware, watches, jewelry,

13 precious stones, bullion or coins;

14 (3) "Secondhand dealer" means a person who is primarily engaged
15 in the business of purchasing personal property of any type from a
16 person who is not a wholesaler, for the purpose of reselling or
17 exchanging such property, and has physical possession of such
18 property, other than an antiques dealer, art dealer, coin and stamp
19 dealer, precious metals or stones dealer, pawnbroker, consignment
20 shop operator, special collectibles dealer, musical instrument dealer,
21 used book dealer, used clothing dealer, used children's products
22 dealer, used sporting equipment dealer, dealer in motor vehicles as
23 described in chapter 246, auctioneer as described in chapter 403, junk
24 dealer, as defined in section 21-9, scrap metal processor, as defined in
25 section 14-67w, recycling facility, as defined in section 22a-207, bona
26 fide charitable or religious corporation, or any retailer that is primarily
27 engaged in the business of selling new items but also gives
28 consideration other than cash in exchange for one or more items traded
29 in to such retailer;

30 (4) "Antiques dealer" means a person who is primarily engaged in
31 the business of buying and selling items collected or desirable due to
32 age, rarity, condition or some other unique feature;

33 (5) "Art dealer" means a person who is primarily engaged in the
34 business of buying and selling illustrative and decorative paintings,
35 drawings, photographs, prints, sculptures or other works in the
36 graphic or plastic arts, or decorative or artistic objects;

37 (6) "Coin and stamp dealer" means a person who is primarily
38 engaged in the business of buying and selling coins, stamps, currency
39 or rare documents collected or desirable due to age, rarity, condition or
40 some other unique feature;

41 (7) "Consignment shop operator" means a person who is primarily
42 engaged in the business of selling personal property as the agent of
43 another person who has placed such property in the physical
44 possession of the agent when such other person has not been paid for

45 such property, retains legal title to such property and bears the risk of
46 loss until such property is sold to a third person;

47 (8) "Special collectibles dealer" means a person who is primarily
48 engaged in the business of buying or selling a distinctive type of
49 manufactured item of limited supply designed for persons to collect or
50 that possesses attractive characteristics, rarity, uniqueness, production
51 faults or other distinctive characteristics necessary to cause a person to
52 save it for hobby, display or investment purposes, without regard to its
53 value or practical use, including, but not limited to, china, glass, toys,
54 militaria, sports memorabilia, movie memorabilia, railroad
55 memorabilia, models, comic books, dolls, figurines or other items of
56 interest to a discrete group of persons, excluding antiques, coins,
57 stamps, works of art, books, jewelry or precious metals;

58 (9) "Musical instruments dealer" means a person who is primarily
59 engaged in the business of buying and selling new and used musical
60 instruments and accessories;

61 (10) "Used book dealer" means a person who is primarily engaged
62 in the business of buying and selling books previously sold at retail
63 from persons other than a publisher or wholesaler;

64 (11) "Used clothing dealer" means a person who is primarily
65 engaged in the business of buying and selling clothing previously
66 purchased from a source other than a wholesaler;

67 (12) "Used children's products dealer" means a person who is
68 primarily engaged in the business of buying and selling children's
69 products, excluding products regulated by the federal Food and Drug
70 Administration, previously purchased from a source other than a
71 wholesaler;

72 (13) "Used sporting equipment dealer" means a person who is
73 primarily engaged in the business of buying and selling sporting
74 equipment previously purchased from a source other than a
75 wholesaler;

76 [(11)] (14) "Wholesaler" means a person engaged in the business of
77 buying property in large quantities and reselling the property in the
78 same or smaller quantities to persons who resell the property to the
79 ultimate consumer;

80 [(12)] (15) "Licensing authority" means the chief of police of any
81 town or city or, if such town or city does not have an organized local
82 police department, the Commissioner of Emergency Services and
83 Public Protection; and

84 [(13)] (16) "Person" means an individual, corporation, limited
85 liability company, partnership or association.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2013	21-39a

PS *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: See Below

Municipal Impact: See Below

Explanation

The bill exempts three types of secondhand dealers from licensing requirements: 1) used clothing dealers; 2) used children's product dealers, and; 3) used sporting equipment dealers.

There is a revenue loss to municipalities and to the Department of Emergency Services and Public Protection (DESPP), associated with the exemption from licensing requirements. It is not known how many secondhand dealers there are in the state. Secondhand dealers are required to pay a fee of \$250 for an initial license and \$100 for a renewal to their local police department or to DESPP if they are located in a community with no local police department.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of licenses issued.

OLR Bill Analysis**sSB 1003*****AN ACT CONCERNING SECONDHAND DEALERS.*****SUMMARY:**

This bill exempts dealers of used (1) clothing, (2) children's products, and (3) sporting equipment from secondhand dealer requirements. It applies to those primarily in the business of buying and selling clothing, children's products, or sporting equipment, from someone other than a wholesaler. Children's products do not include those regulated by the federal Food and Drug Administration.

By law, secondhand dealers are required to, among other things:

1. be licensed by law enforcement;
2. identify sellers before making purchases;
3. keep a record-keeping system, including photographing certain items;
4. accept only certain types of payment;
5. sell only to adults, unless the minor is accompanied by a parent or guardian; and
6. submit weekly reports to the licensing authority.

EFFECTIVE DATE: October 1, 2013

COMMITTEE ACTION

Public Safety and Security Committee

Joint Favorable Substitute

Yea 24 Nay 0 (03/21/2013)